

**MINUTES OF THE
PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE**

TUESDAY, JUNE 10, 2008

At a meeting of the **Planning and Economic Development Committee**, held Tuesday, June 10, 2008, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Vosburg-Chair, Brdak, Brown, Camphous-Peterson, DeSaele, DiMaria, Drolet, Duzyj, Gielegthem, Mijac, Rengert, Roberts and Crouchman (ex-officio).

Absent and excused was Haggerty.

There being a quorum of the committee present, Chair Vosburg called the meeting to order at 9:09 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by Camphous-Peterson, supported by Duzyj, to adopt the agenda, as presented. **The Motion Carried.**

MINUTES

MOTION

A motion was made by Drolet, supported by Camphous-Peterson, to approve the March 11 and April 8, 2008 minutes of this committee, as written. **The Motion Carried.**

PRESENTATION ON PROPOSED MACOMB COUNTY SMART ZONE/INCUBATOR

Contained within committee packets was a two-page document entitled, SmartZone Process – Timeline and Application Criteria.

Mr. Cassin gave an update on the proposal for the county's proposed incubator. He spoke about their coordination with Oakland University and with the City of Sterling Heights in trying to get it up and running. He recalled that they received \$282,000 from the federal government to start to develop this program of a business incubator. Hopefully, it will

specialize in defense and homeland security, although they will not exclude other targeted industries. They had anticipated a one-year planning period with the \$282,000. While they were doing that, part of the state budget program (\$500,000) for the actual capital costs of starting this facility -- that plan was vetoed by the governor. But, as the lobbyist indicated yesterday, there is now a strong possibility of \$300,000 coming through that the governor will approve. He explained that in order to fund an incubator you need a funding mechanism; most incubators in the state have used a mechanism called a SmartZone.

He informed commissioners that three new incubators are being created and several entities are trying to apply for them. In late May, the state issued the announcement that these three were available for competition; unfortunately, they made it very difficult in only giving 40 days to complete the process to get the application in. The application has to be turned in by July 1st. He said that they assembled a team of over 15 professionals who have agreed to serve on a panel to review their proposal. They are currently looking at a facility in Sterling Heights between Van Dyke and Mound in the industrial corridor close to the defense sectors of BAE, General Dynamics, and some others.

He believed that one of the best things they did is to get Oakland University involved in this process; they presently have their own OU INCubator. He noted that all of the support they have given the county is at no cost in this endeavor. Lastly, he introduced Dr. David Spencer, Executive Director, SmartZone Development, OU INCubator, Oakland University.

Dr. Spencer said that Oakland University is delighted to be invited to participate with Macomb County on this project. They are actively engaged in supporting the county in this endeavor and working with the city. They are also engaging support from other incubators around the state. He named several individuals who are involved in the process.

He is the former President of Walsh College and has a good understanding of Macomb County. They are reaching out to the corporate community to get them fully engaged; partners like General Dynamics. He stressed that one of the fundamental needs in putting an incubator in and having it be successful is investment capital. He noted that they have two investment capital partners already engaged at their incubator, who have indicated a willingness to be in support of this program and provide capital investment resources to available businesses that will be starting up. He named the two investor groups; The Great Lakes Angels and The Plymouth Management Company. He said that both investment groups will be coming with them to this project. He believed that they have good resources to bring the SmartZone together. He recalled that there is a formal application process as Mr. Cassin pointed out. They are working actively on moving toward completing that application with a lot of high-quality people and anticipate a good review by the state and will be available to continue their work with the county as an incubator leadership group. He has the full commitment of their President, Dr. Gary Russi. Their incubator reports directly to the president. He has been authorized by Dr. Russi to fully engage with Macomb County on the incubator.

A discussion ensued with Dr. Spencer about funding mechanisms and the possibility of bonding. Inquiry was made about what primarily would be the main focus of the incubator.

Inquiry was directed to Mr. Cassin as to why the governor vetoed \$500,000 in the supplemental budget. Mr. Cassin noted that the lobbyist mentioned yesterday that the MEDC came up with \$1.5 million to be distributed for incubator capital improvements to five different entities and it looking like the county is in line for \$300,000 by October 1st. Inquiry was made if the \$300,000 was in a supplemental bill or just through the MEDC. Mr. Cassin said that he would find out those details.

Discussion continued with Dr. Spencer and Mr. Cassin.

MOTION

A motion was made by DeSaele, supported by Roberts, to receive and file the report on the proposed Macomb County SmartZone/Incubator. **The Motion Carried.**

PRESENTATION ON GRATIOT AVENUE ACCESS MANAGEMENT PLAN

Mr. John Crumm stated that they have been working with MDOT for two years to get this \$100,000 grant and they have finally succeeded in it. It will help them in improving the accessibility along Gratiot. In order for this grant to go forward they had to go to each community along Gratiot and ask if they wanted to be a participant. A majority of the communities are onboard and they are looking for two more to have their meetings.

Mr. John Paul Rea gave a PowerPoint presentation entitled, M-3/M-19 Gratiot Avenue Access Management. Key topics covered included: What is Access Management, Why is Access Management Important, Scope of Gratiot Avenue Access Management, and Administrative Framework of Gratiot Avenue Access Management.

Ms. Jennifer Evans from the Transportation Department at SEMCOG discussed the role that SEMCOG and MDOT have played in this initiative. A private consultant will be doing the analysis of the corridor. In August, they will be having an educational workshop, which will be an informal kickoff to this process.

Numerous questions were directed to Ms. Evans. During discussion, inquiries were directed to Mr. Cassin and Mr. Crumm.

MOTION

A motion was made by Camphous-Peterson, supported by Duzyj, to receive and file the presentation on the Gratiot Avenue Access Management Plan. **The Motion Carried.**

PRESENTATION ON MACOMB COUNTY DEVELOPMENT CERTIFICATION PROGRAM

A one-page outlined document was distributed. Also distributed was an initial brochure that was prepared about this program. It was entitled, SPARC (Site Plan Assistance Review Collaborative) Igniting Development.

Mr. Rodney Arroyo, Vice President, Birchler Arroyo Associates, Inc., referred to his one-page outlined document and gave a verbal presentation. Key topics covered included: Purpose, Outcome, and Process (Develop Certification Program, Assist Communities with Identifying Certification Goals and Achieving the Goals, Marketing SPARC Communities, and Program Evaluation and Modification).

Numerous questions were directed to Mr. Arroyo. During discussion, Mr. Arroyo said that as part of this program, they are going to be sending out the brochures to all of the communities to make them aware of it. They are going to develop an e-mail blast and then send out regular notices that inform these communities of this process. They hope to raise a level of awareness of the program and increase the level of participation. Inquiries were directed to Mr. Cassin. It was suggested that when they start to meet with communities that commissioners be given that schedule.

MOTION

A motion was made by Duzyj, supported by Gielegghem, to receive and file the update report on the Macomb County Development Certification Program. **The Motion Carried.**

EXECUTIVE DIRECTOR'S REPORT

A copy of the PowerPoint presentation was distributed.

Mr. Cassin asked Mr. Robert Tess to talk about some of the successes that have occurred over the last six months.

Mr. Tess gave a PowerPoint presentation entitled, Investment Update. Key topics covered included: EDSG 2008 Client Investment 1/1/08-5/31/08, 2008 Pending Client Investment (Thru 5/31/08), and 2008 (Thru May 31) Select Business Investment Successes. Lastly, Mr. Tess thanked this committee and the Board for their support of economic development.

MOTION

A motion was made by Duzyj, supported by Roberts, to receive and file the report from the Executive Director, Planning and Economic Development Department, on departmental activities. **The Motion Carried.**

NEW BUSINESS

Commissioner Brown expressed concern about the recent power outages due to the storms. He wondered if there were any reports or anybody advocating on behalf of the county in terms of when the work will be done in many of our communities. He wondered if anyone is putting any pressure on DTE to get the crews in here. He recalled speaking with Ms. Vicki Wolber from Emergency Management over the weekend. He requested a status report as to what is going on, if any damage occurred, or if anybody has been hurt. Chair Vosburg thought either Emergency Management or perhaps Board Chair Crouchman's office could get an update.

ADJOURNMENT

MOTION

A motion was made by Duzyj, supported by Brown, to adjourn the meeting at 10:28 a.m.
The Motion Carried.

Denise M. Jacks
Committee Reporter